

Ivy Tech Community College

State Budget Committee

November 15, 2012



**CHANGING LIVES
MAKING INDIANA GREAT**

State of Indiana Goal Reaching Higher, Achieving More Ivy Tech is your Partner

When successful, we will increase knowledge, skills, and degree attainment needed for lifetime employment and in sharing Indiana's economic competitiveness.



-  **Completion**
-  **Productivity**
-  **Quality**

A SUCCESS AGENDA FOR HIGHER EDUCATION IN INDIANA



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College Attainment - Median Income

State	Attainment	Rank	Median	Rank
West Virginia	26.1%	50 th	\$42,974	42 nd
Arkansas	27.9%	49 th	\$40,553	49 th
Louisiana	28.1%	48 th	\$40,599	48 th
Nevada	29.5%	47 th	\$49,929	25 th
Mississippi	29.9%	46 rd	\$40,227	50 th
Kentucky	30.0%	45 th	\$41,129	46 th
Alabama	31.5%	44 th	\$42,407	43 rd
Oklahoma	31.7%	43 rd	\$46,459	35 th
Tennessee	31.9%	42 nd	\$41,044	47 th
New Mexico	33.1%	41 st	\$44,270	41 st
Indiana	33.2%	40th	\$46,020	36th

Lumina Foundation & 2010 US Census Bureau



Entitlements

College
Attainment

=

Increased Median
Income

- ✓ Lowers cost for entitlement
- ✓ Reduces Indiana's cost for incarceration
- ✓ Increases tax revenue
- ✓ Improves quality of life



AGGREGATE AVOIDED SOCIAL COSTS AT CAREER MIDPOINT

of Ivy Tech Students

Total avoided social costs:
\$22,591,000

HEALTH

Smoking-related savings	\$10,588,000
Alcohol-related savings	\$9,384,000
Total health savings	\$19,973,000

CRIME

Incarceration savings	\$440,000
Crime victim savings	\$537,000
Added productivity	\$716,000
Total crime savings	\$1,694,000

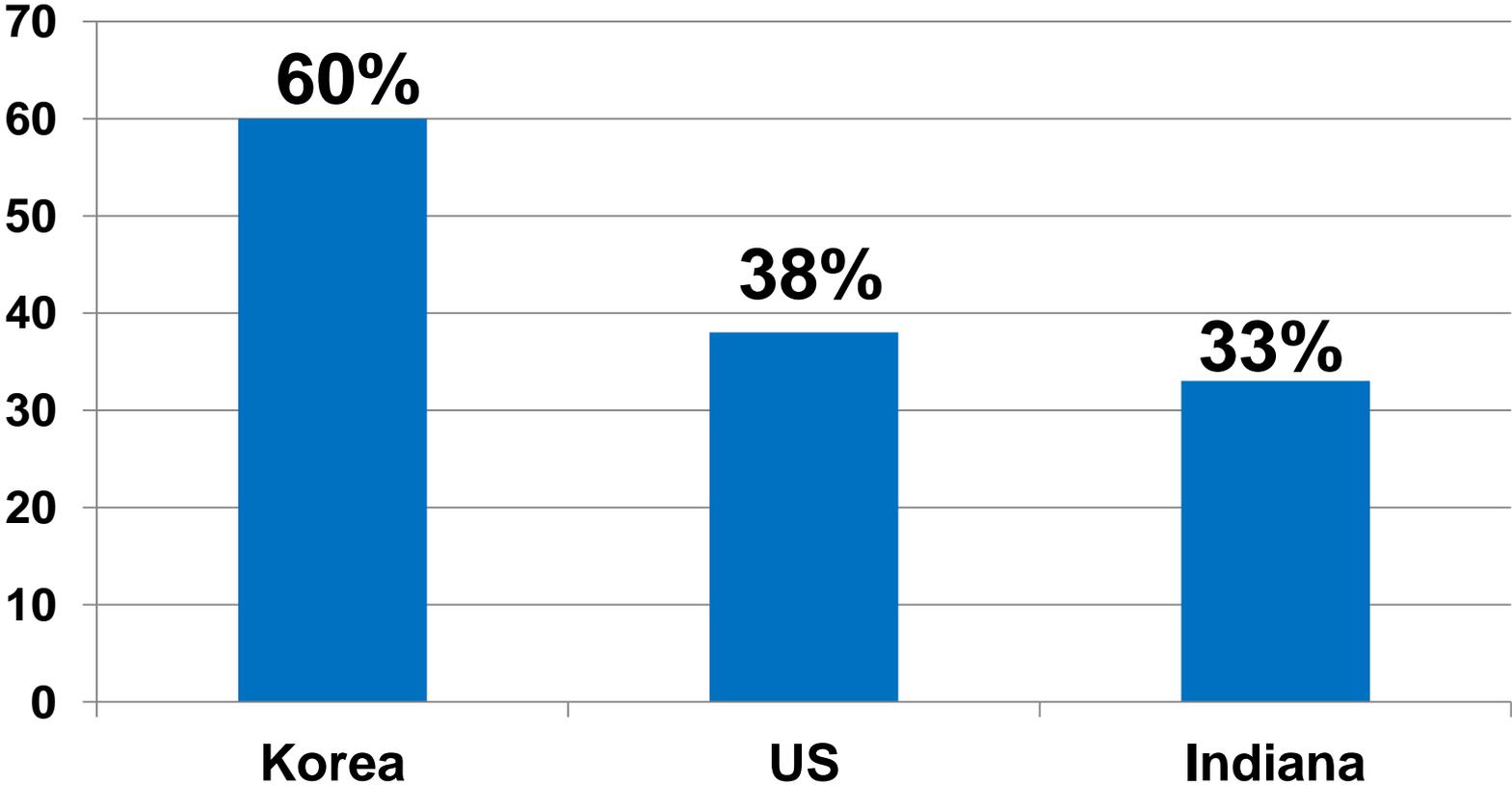
WELFARE/UNEMPLOYMENT

Welfare savings	\$589,000
Unemployment savings	\$335,000
Total employment savings	\$924,000

Source: EMSI impact model



Indiana Numbers



“The only way to ensure our future is to improve the ways we prepare our citizens for the 21st century workforce.”

- Jamie Merisotis, President/CEO, Lumina Foundation



“... nothing more than a high school diploma...difficult road to middle class status.”

- Anthony Carnevale, Georgetown University Center on Education and the Workforce



State of Indiana Goal

Reaching Higher, Achieving More

Double the number of college degrees and certificates produced by 2025 from 60,000 to 120,000.



 **Completion**

 **Productivity**

 **Quality**

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**CHANGING LIVES
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State of Indiana Goal

Reaching Higher, Achieving More

The bulk of the educational attainment gap will be closed by Ivy Tech. But it will only happen if we partner together and we receive the support we need.



 **Completion**

 **Productivity**

 **Quality**

A SUCCESS AGENDA FOR HIGHER EDUCATION IN INDIANA



The Traditional College Experience out of Reach for About Half of Hoosier Families



The Residential Experience

	<u>4 Years</u>
Indiana University – Bloomington	\$ 75,552
Purdue University – West Lafayette	\$ 81,112
Ball State University	<u>\$ 71,880</u>
Average 4-Year Cost	\$ 76,181



Pell-Eligible Family Median Income - \$42,000

$$\begin{array}{rcl} \text{Borrow/Save} & = & \$ 76,181 \\ 4 \text{ Years Pell } (\$5,550/\text{year}) & - & \underline{\$ 22,200} \\ \text{Borrow/Save} & & \text{\$ 53,981} \end{array}$$

Based on a full-time enrollment and 0 EFC



Middle-Class Family Median Income - \$46,020

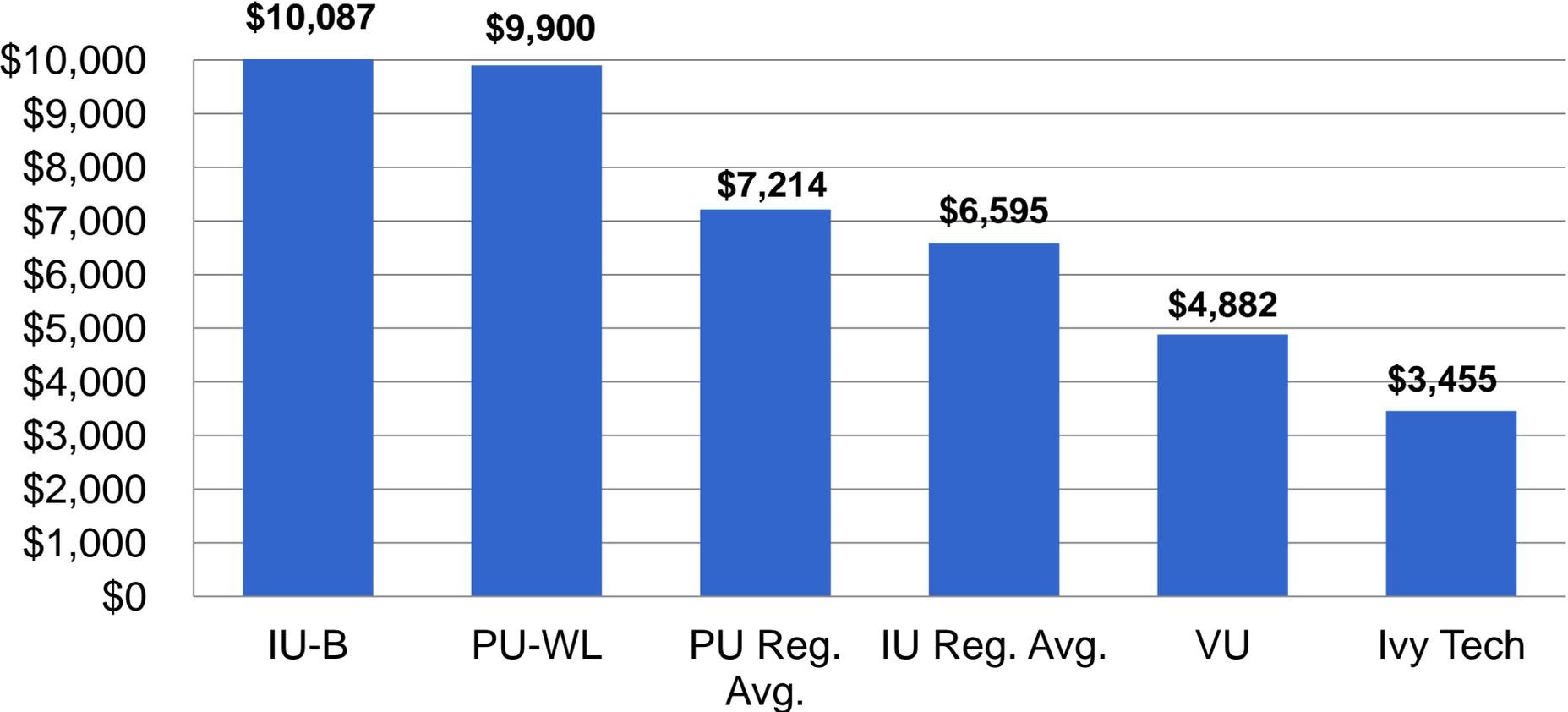
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Based on a full-time enrollment and 0 EFC



Why Ivy Tech is the Right Solution

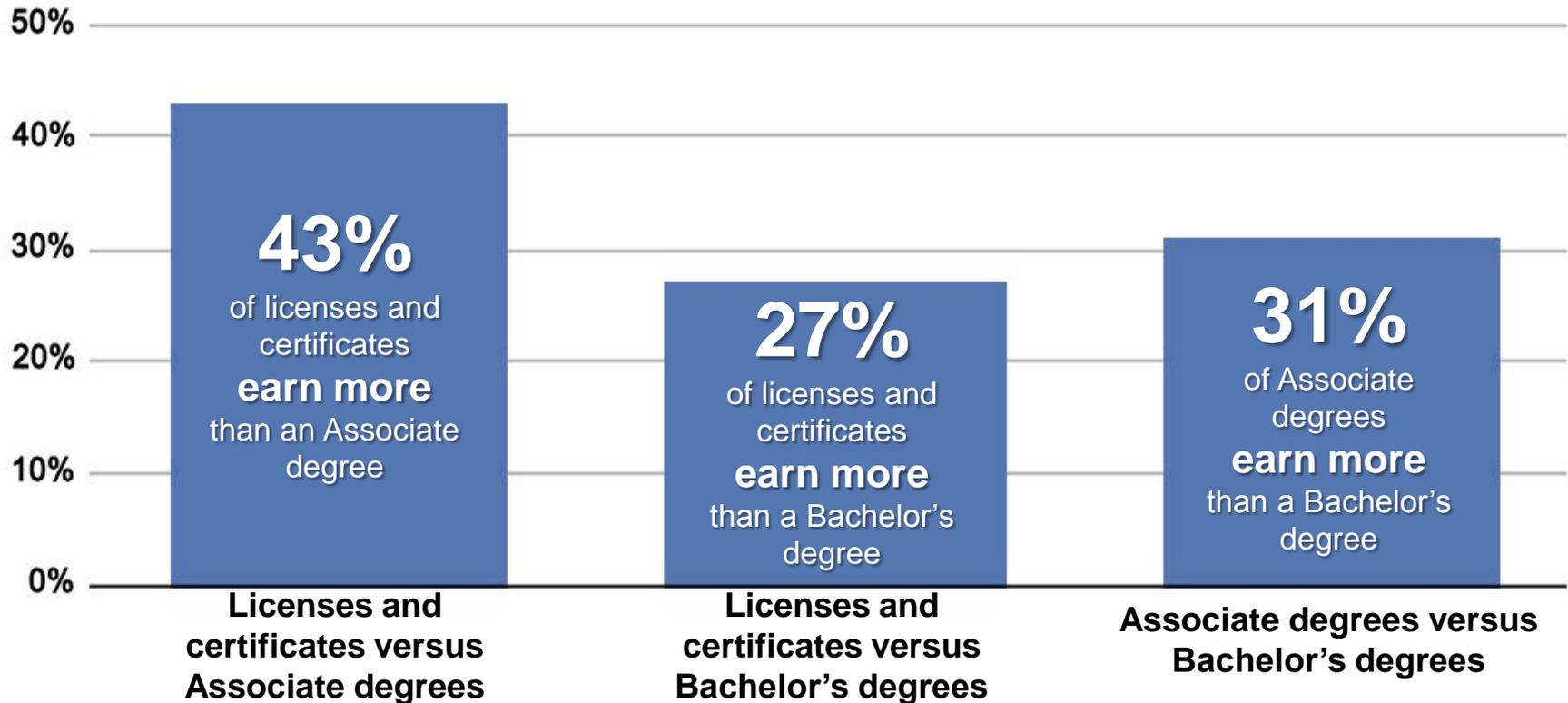
Estimated Student Fees



Why Ivy Tech is the Right Solution

Earnings are not just a function of postsecondary attainment.
Occupational choice also influences earning potential.

National Education Longitudinal Study

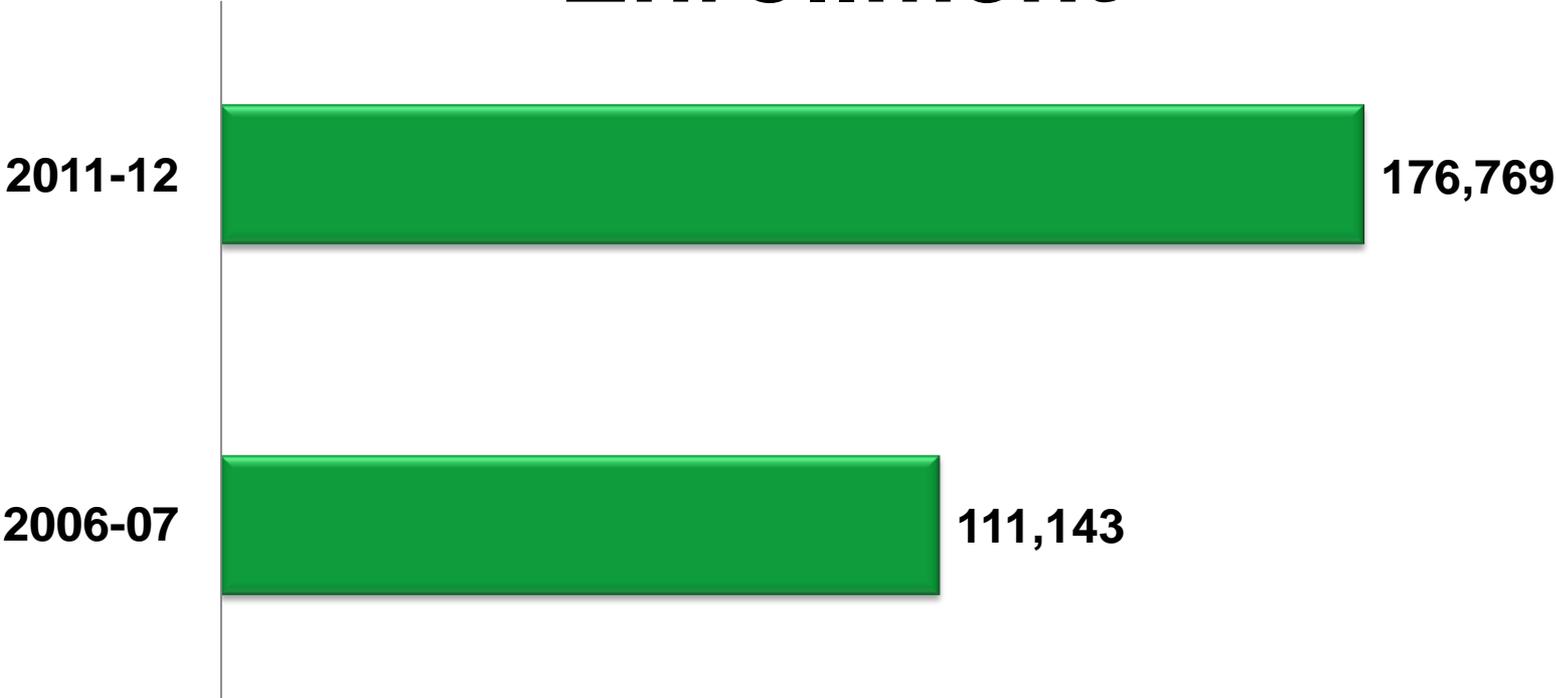


Barriers to Success

- ✓ Rapid growth
- ✓ Lowest funded per FTE in state
- ✓ Complex student body
- ✓ Cost for remediation unfunded



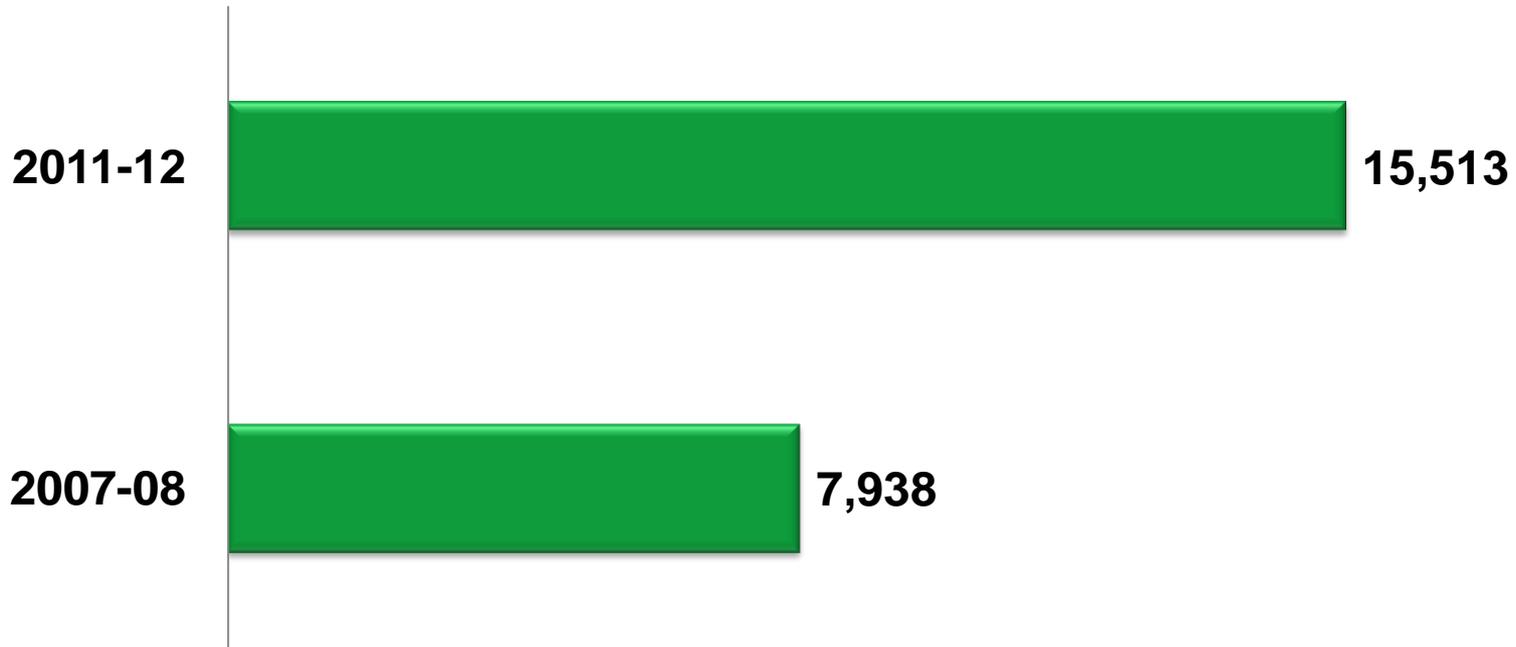
Enrollment



37% increase in last six years



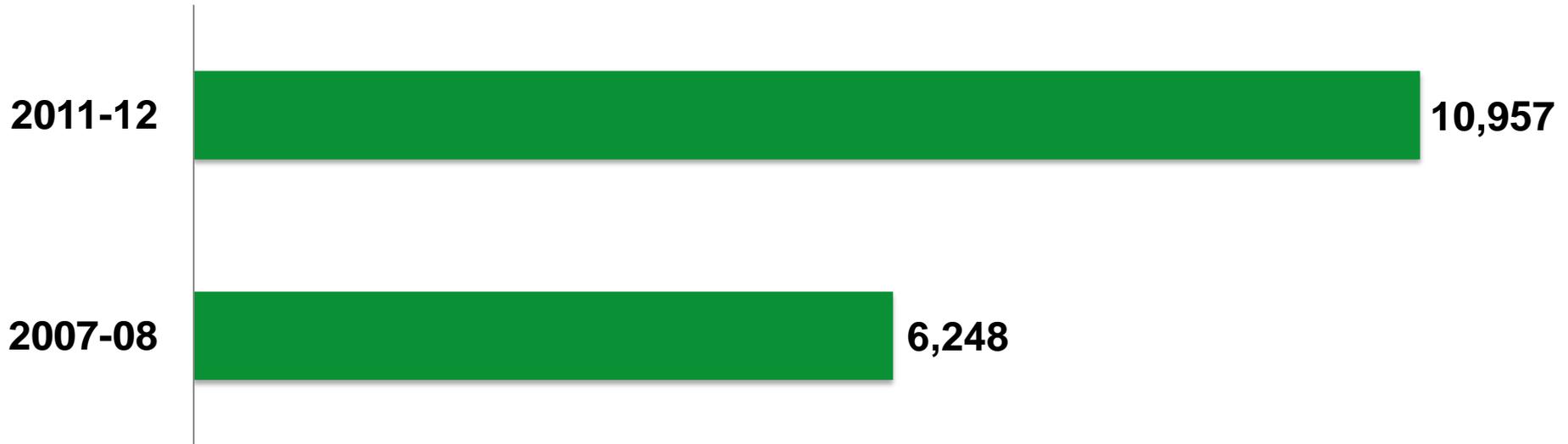
Credentials Awarded



95% increase in last five years



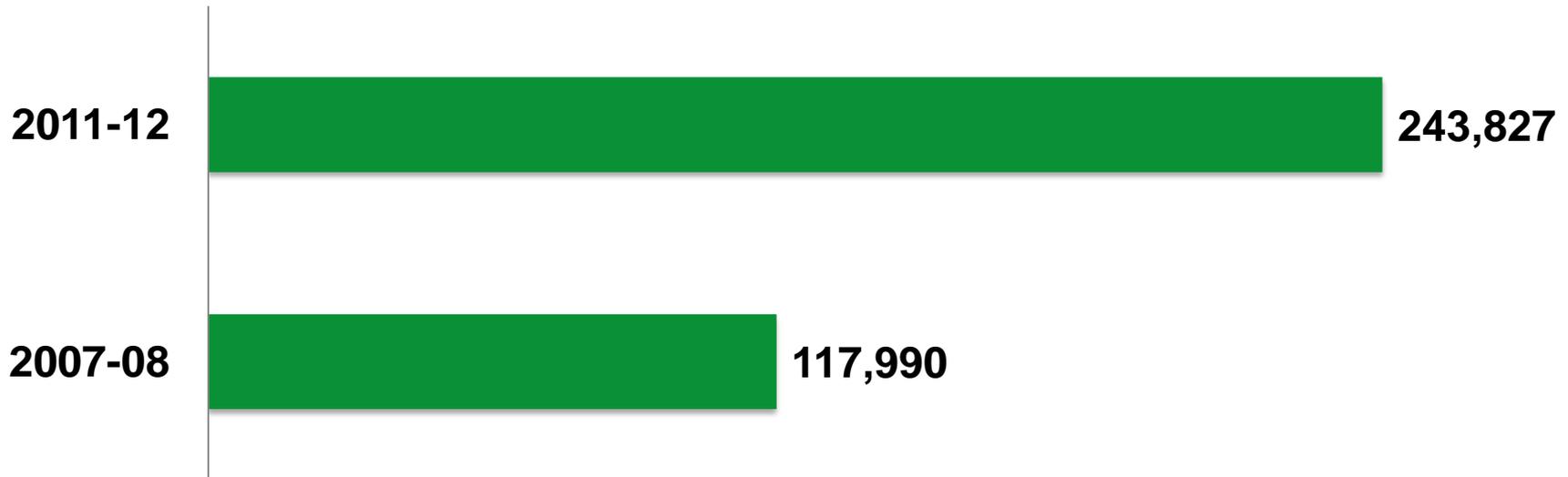
Student Transfers



- **75% student transfer increase**



Credits Transferred



- **106% credit transfer increase**
- **Saved Hoosier families \$32.4 million**

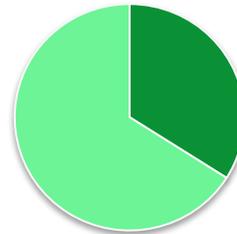


Transfers

Every 1,000 students that complete an Associate Degree before transferring save the State and Taxpayers

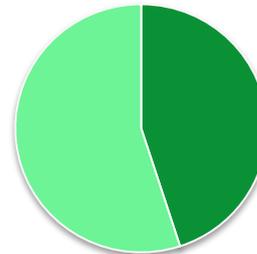
\$14 million

Hoosier Transfers



34% of Hoosier students who completed a four-year degree in 2010-11 had previously enrolled in a two-year college.

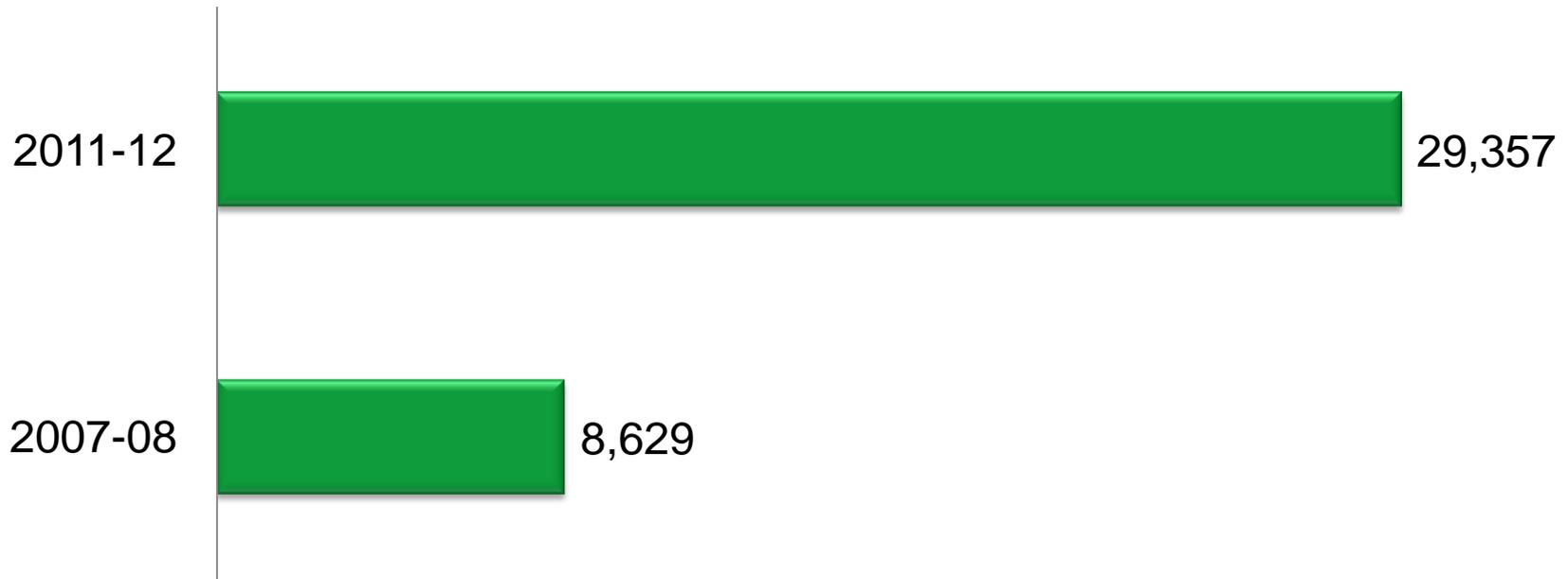
National Average



The national average for all states was 45%
(National Student Clearinghouse)



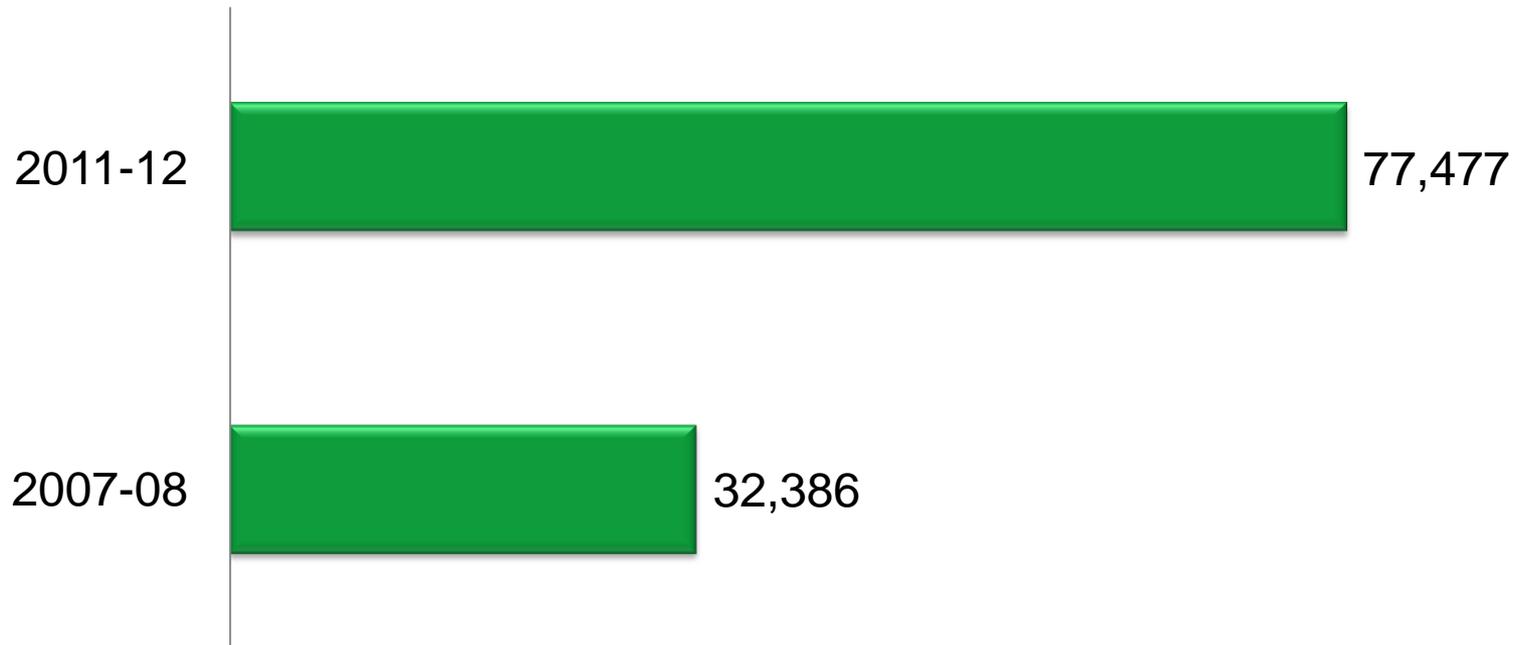
Dual Credit Students



- **240% increase**
- **Saved Hoosier families \$14.1 million**
- **75% Career and Technical Education**



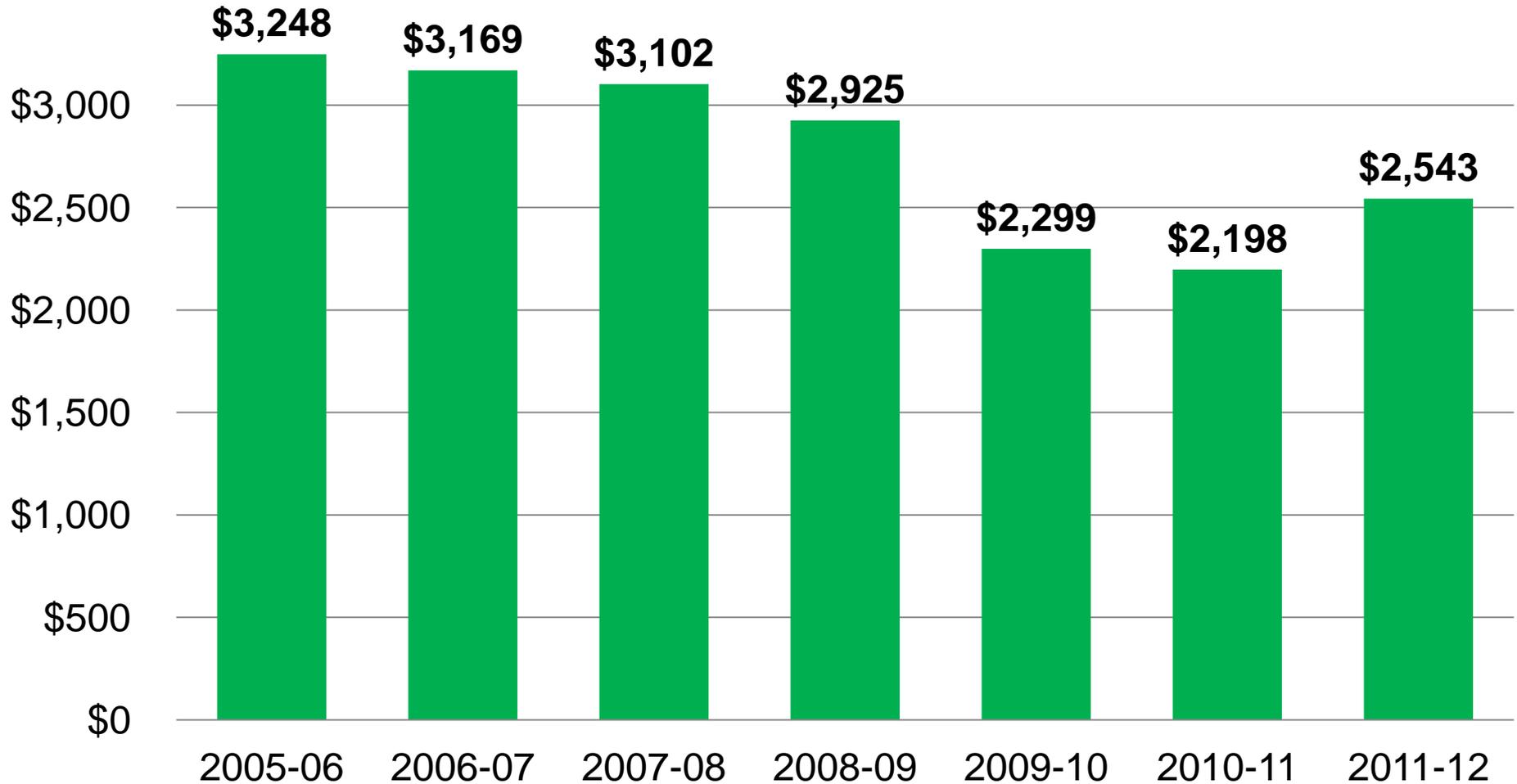
Ivy Tech Online



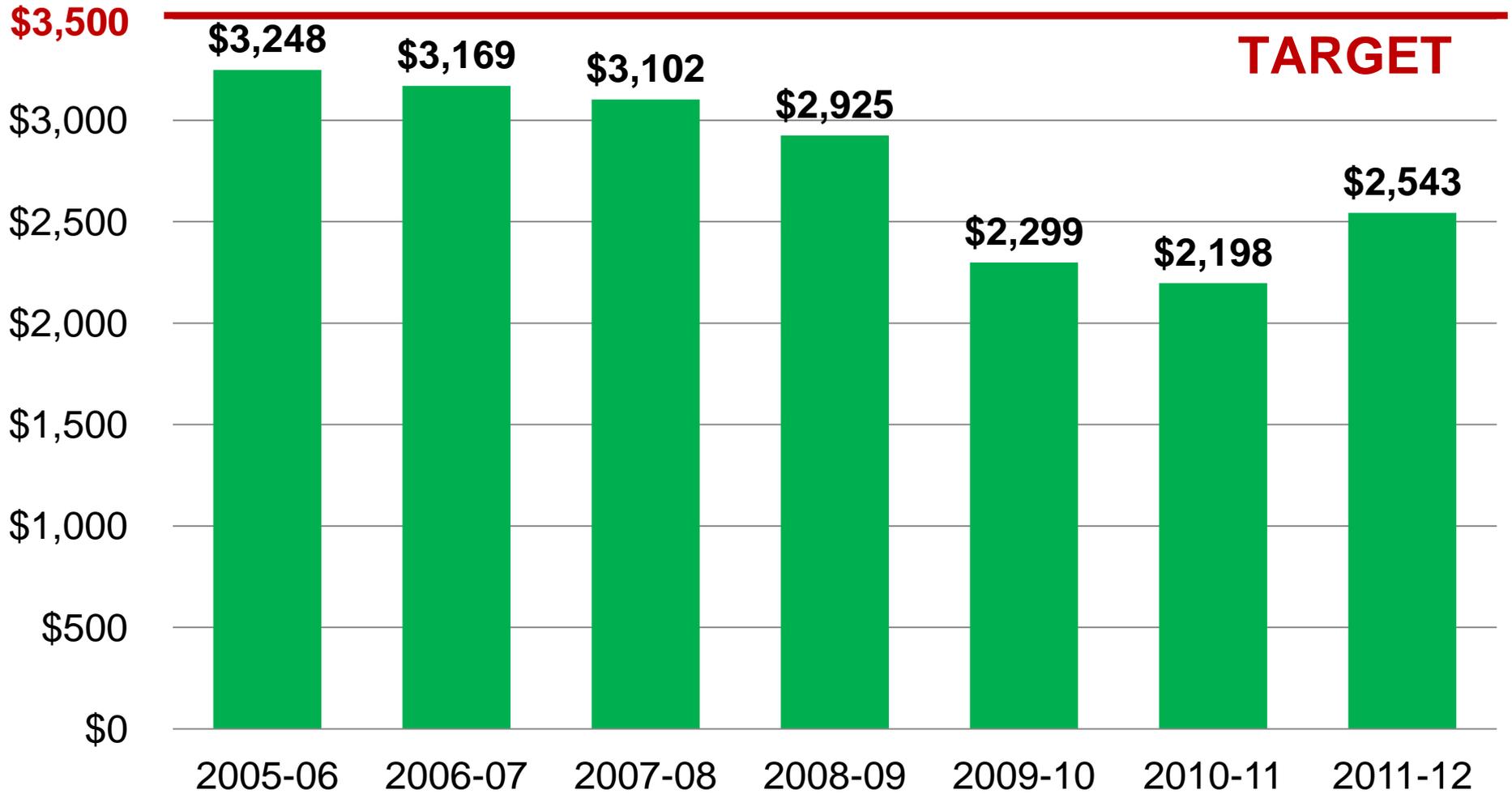
- 139% increase in last five years
- Saved the state \$400M in capital



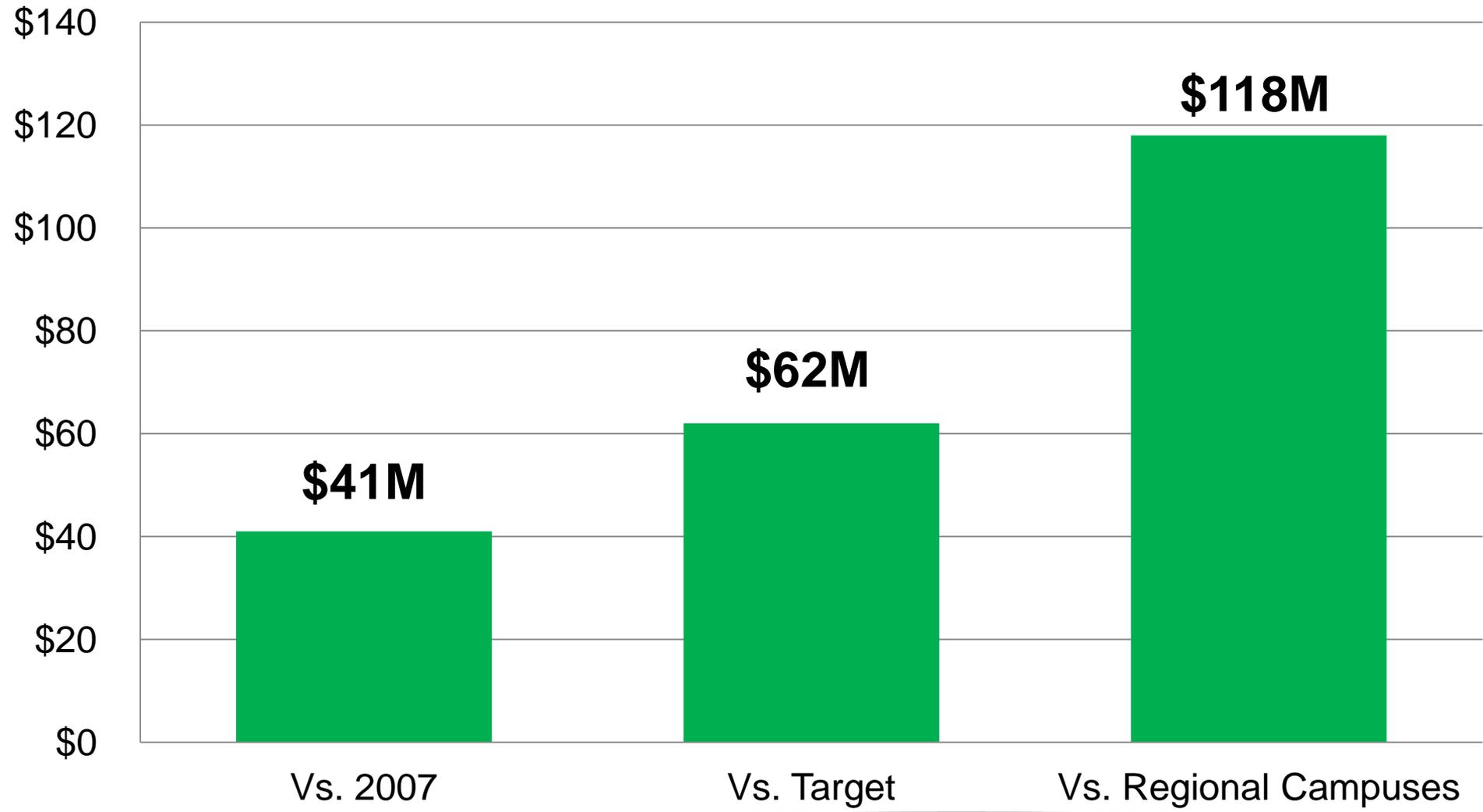
Ivy Tech Appropriations per FTE Student



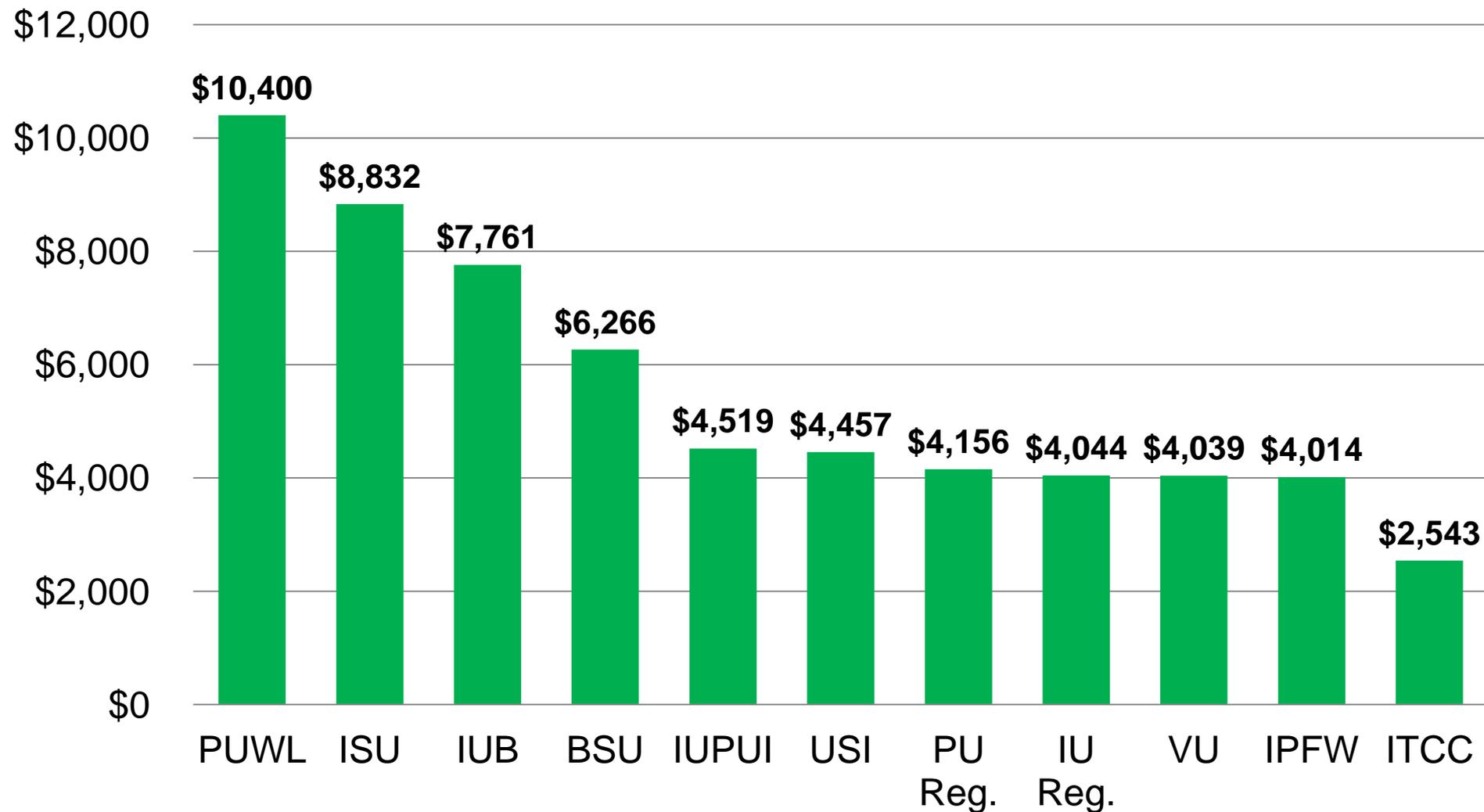
Ivy Tech Appropriations per FTE Student



Total Gap in funding FTE basis (in millions)



State Operating Appropriations per FTE



What Does This Mean for Our Students?

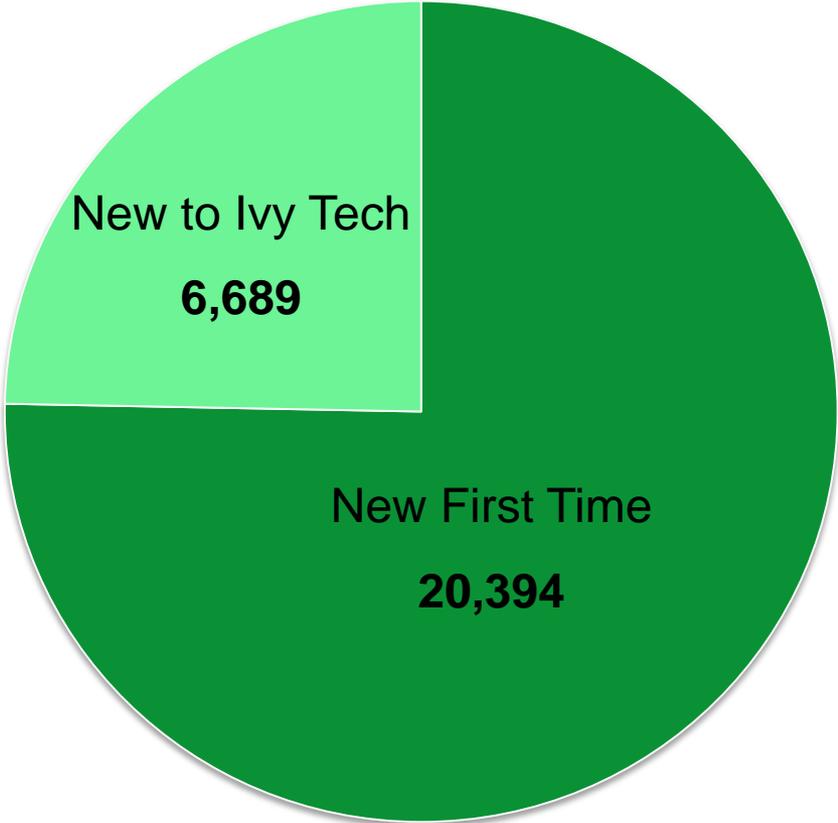


- ✓ Less student success counselors
- ✓ Fewer advisors
- ✓ Less degrees & certificates completed
- ✓ Less support for students who need it most

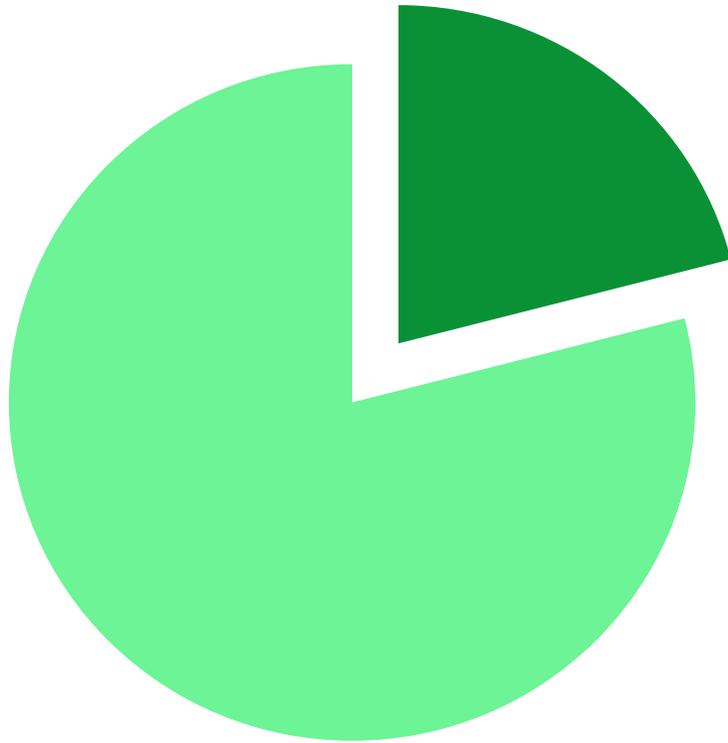


Who Are Our Students?

27,083
new students
this fall



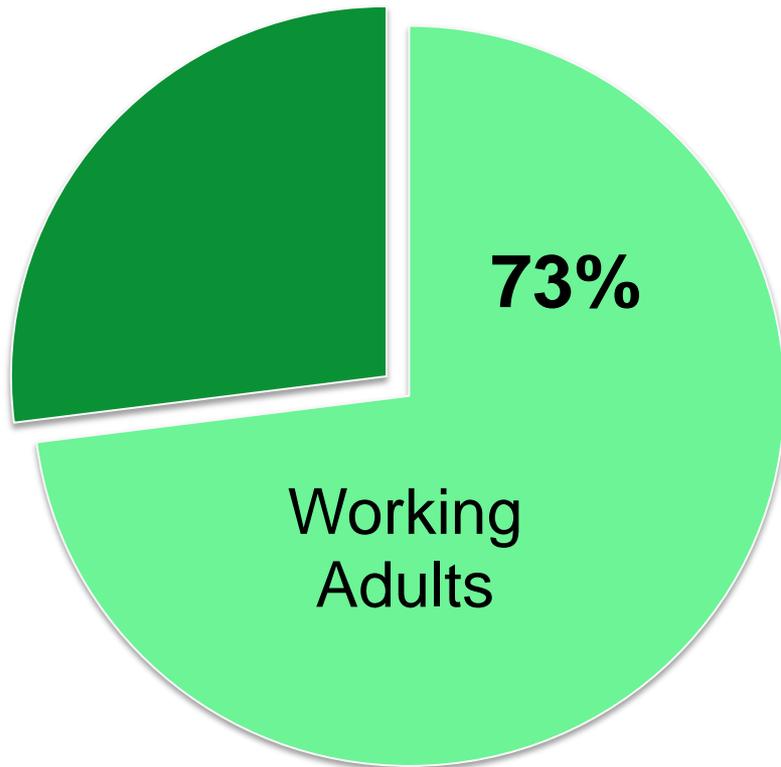
Who Are Our Students?



21% of our students are single parents



Who Are Our Students?

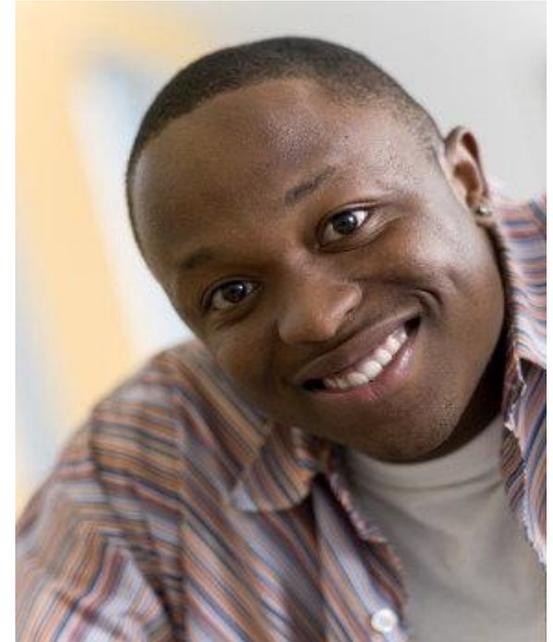


- 73% of our students are working adults
- 42% of our students work 20 hours or more per week

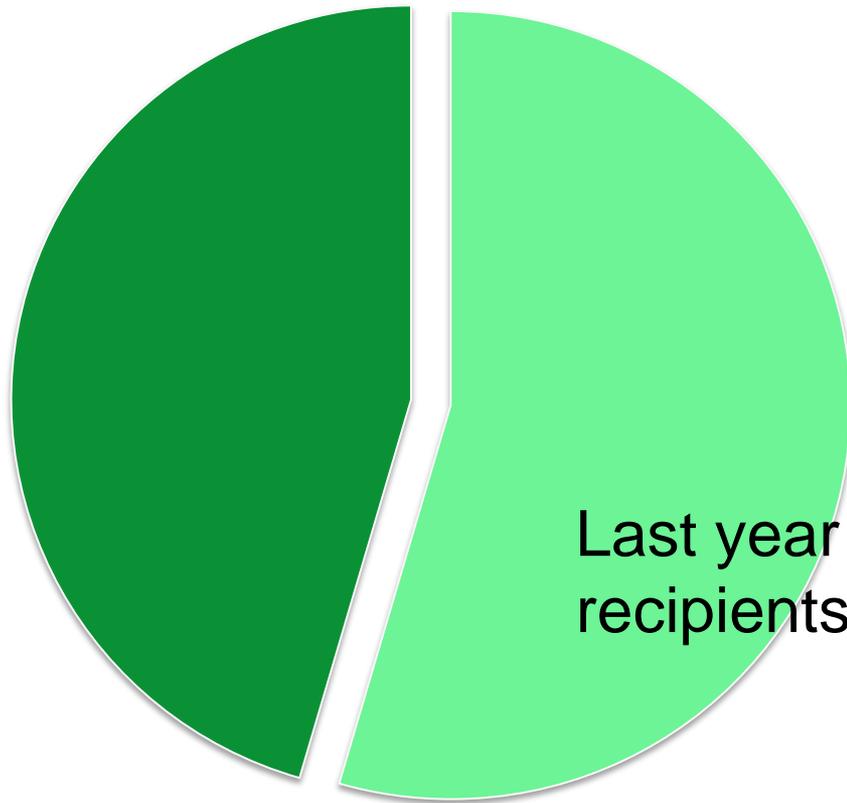
Who Are Our Students?

24,970
Minority students

Over 50 percent of African Americans
enrolled in College in Indiana attend
Ivy Tech



Who Are Our Students?



77,455
Pell recipients in
2010-11

Last year 54.5% of all Pell Grant recipients attended Ivy Tech



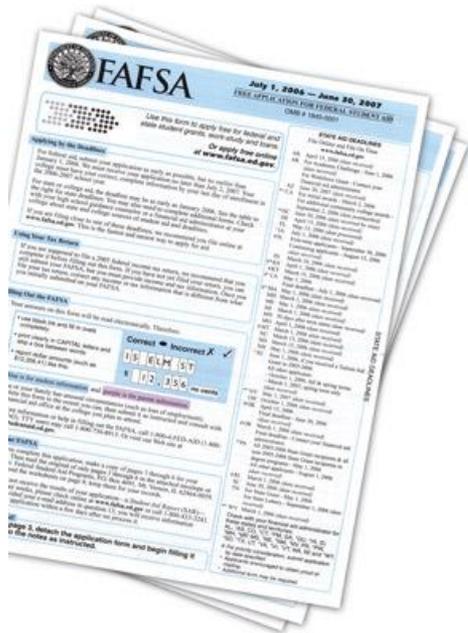
Distribution of Federal Pell Grant Program

Ivy Tech Community College	77,455
Purdue University – West Lafayette	7,389
Indiana University – Bloomington	6,836
Ball State University	5,834



Who Are Our Students?

95,492 received financial aid in 2011-12



- ✓ Median household adjusted gross income for independent students: **\$18,067**
- ✓ 25,163 independent students report adjusted gross income of **under \$16,000**
- ✓ Median household adjusted gross income for all students on aid: **\$21,967**

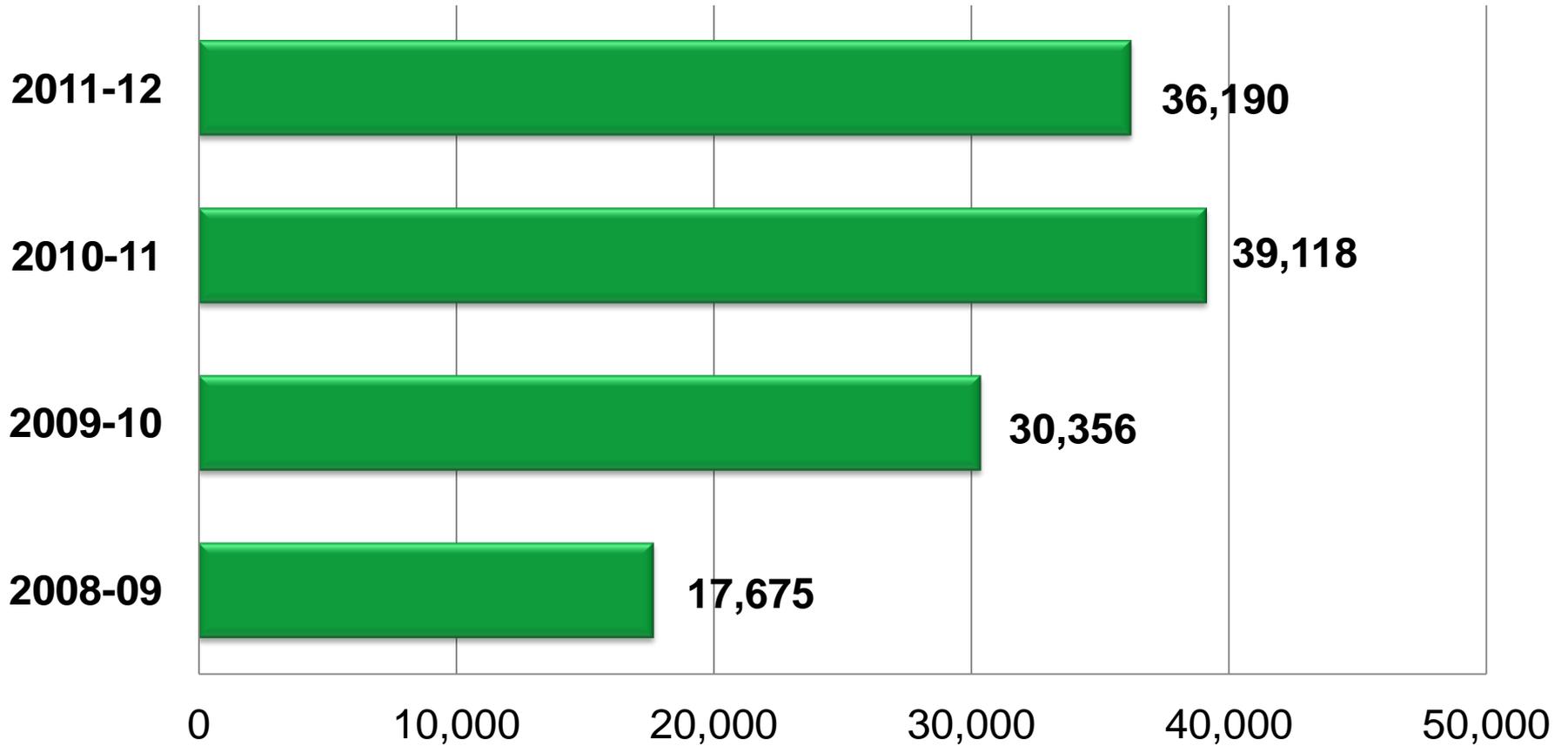


Remediation

- ✓ Unique community college mission and a unique barrier on the pathway to completion
- ✓ Pathway often starts with remediation (40%)
- ✓ Lowest cost provider



Students Needing Remediation



Increasing Cost to Provide Remediation

2008-09: \$20,000,000

2011-12: \$40,000,000



Limited Student Support

- ✓ Total fall 2012 first day enrollment = 107,973 students
- ✓ Total academic advisors = 150
- ✓ Ratio actual = 1 to 720
- ✓ Ratio goal = 1 to 250



Advising is key for degree completion, even more important with students needing remediation.



Living with Limited Resources

- ✓ Despite increasing number of students needing remediation both traditional and non-traditional students
- ✓ Despite decreased funding
- ✓ Able to keep success measures consistent as opposed to decrease
- ✓ Co-requisite pilots showing promise



Reengineer College and Reinvest in Students

- ✓ Bookstore
- ✓ Textbook adoption
- ✓ Technology
- ✓ Central procurement
- ✓ Reengineering of IT and Student Services
- ✓ Strategic plan Accelerating Greatness aligned with budget



Reengineer College and Reinvest in Students

- ✓ Ivy Online restructuring
- ✓ Cost-effective use of faculty providing full-time and adjunct balance
- ✓ Restructured health plans
- ✓ Curriculum simplified and structured with stackable credentials
- ✓ Ivy Advising restructured with new software and 50% more advisors



2013-15 Budget Request per Performance Funding Metrics

	<u>FY 2013-14</u>	<u>FY 2014-15</u>
Reversion for Pool	-\$11,185,076	-\$13,049,256
Degree Completion	\$6,146,358	\$7,170,750
At Risk Degree Completion	\$2,543,887	\$2,967,868
Student Persistence	\$7,455,685	\$8,698,299
Remediation Success	\$0	\$0
On-Time Graduation Rate	\$1,432,575	\$1,671,337
Institutional Productivity	<u>\$419,440</u>	<u>\$489,347</u>
Total Net Increase	\$6,812,869	\$7,948,345



Previously Authorized Capital Projects

Indianapolis Fall Creek Expansion Approved by 2007 General Assembly	\$23,098,100
Anderson Approved by 2009 General Assembly	\$20,000,000
Bloomington Approved by 2009 General Assembly	\$20,000,000
Gary Approved by 2009 General Assembly	\$20,000,000

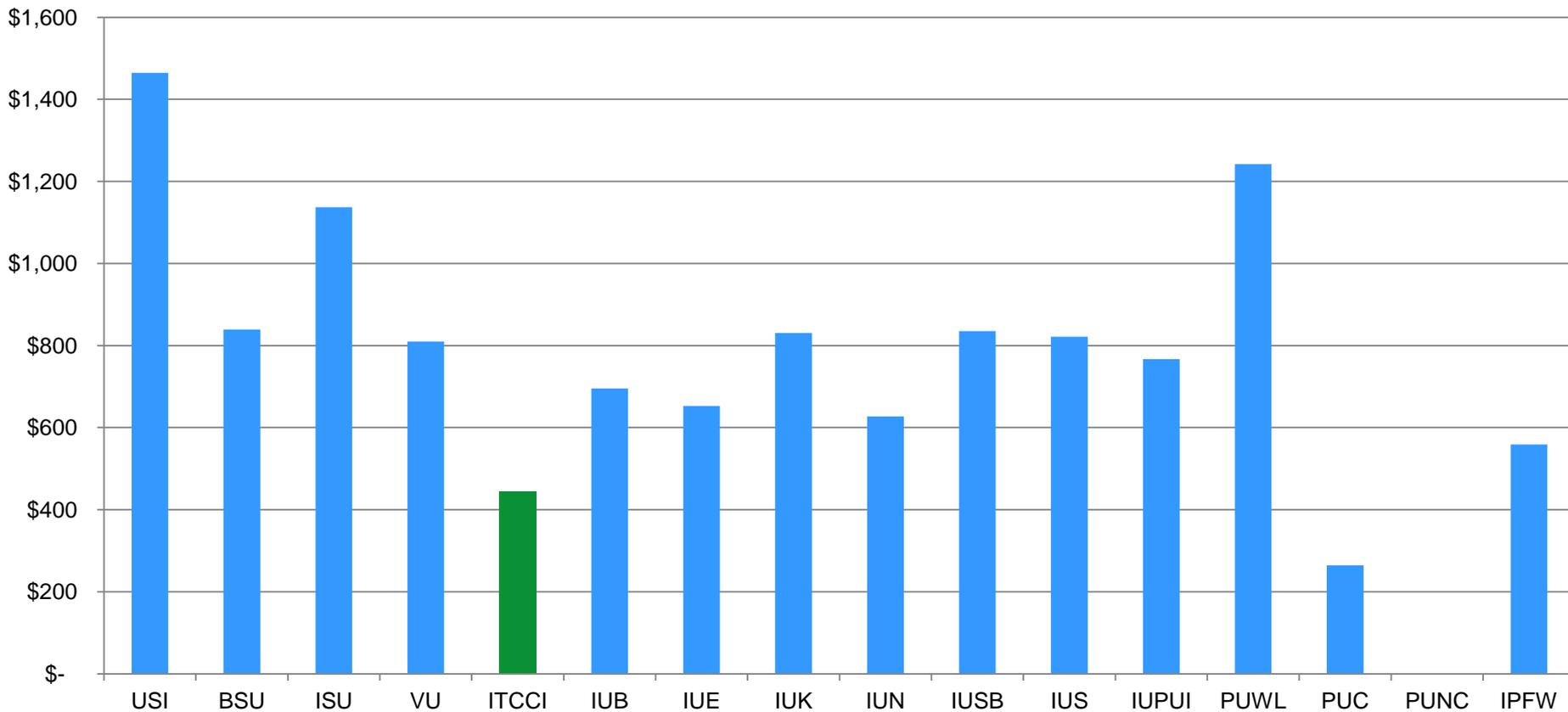


New Construction

Muncie New Construction and Renovation	\$25,000,000
Kokomo New Construction and Renovation	\$25,000,000
Columbus Addition and Renovation	\$25,000,000
Greencastle Addition	\$11,100,000
South Bend Health Sciences Building	\$25,000,000
Lafayette Enterprise Center	\$25,000,000
Sellersburg Science and Health Services Center	\$21,000,000
Evansville New Campus	\$25,000,000
Indianapolis New Construction and Renovation	\$25,000,000
Michigan City Addition and Renovation	\$14,200,000

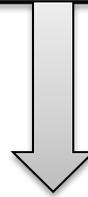


Cost per FTE for Debt Service

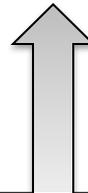


Ivy Tech has 3rd lowest debt service per FTE





**Ivy Tech has reallocated and reengineered,
but we can't close the gap on our own.**



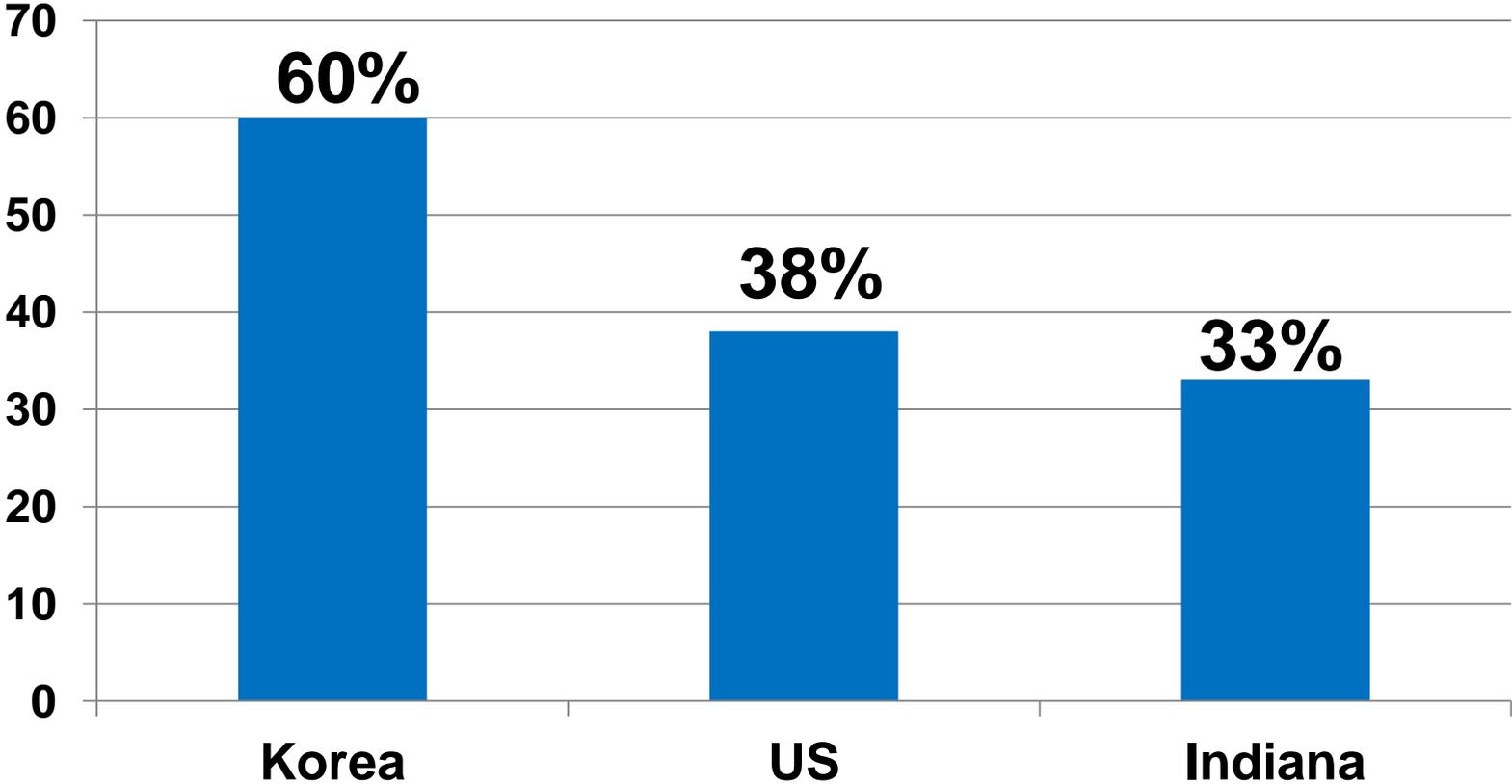
Ivy Tech can change and improve quickly

Last five years is the proof...

- ✓ Enrollment: 120,447 to 176,769 (↑ 47%)
- ✓ Associate degrees and TCs: 7,938 to 15,513 (↑ 95%)
- ✓ Credits transferred: 117,990 to 243,827 (↑ 106%)
- ✓ Online enrollment: 32,386 to 77,477 (↑ 139%)
- ✓ Dual credit enrollment: 8,629 to 29,357 (↑ 240%)



Indiana Numbers



Only way to achieve
the goal for Indiana is
through
Ivy Tech Community
College



Questions?

